

Financial Resources for Agribusiness Enterprises in Virginia

<i>Title & Source</i>	<i>Description</i>	<i>Contact</i>
Business & Industry Guaranteed Loan Program (B&I), USDA	Program guarantees loans by commercial lenders to rural businesses. Maximum \$25 million aggregate loan amount to any one borrower.	Local or State USDA Rural Development office or www.rurdev.usda.gov
Business & Industry Direct Loan Program (B&I Direct), USDA	Loans made to individuals, partnerships, for-profit and non-profit businesses, cooperatives, Indian Tribes, and public bodies who are unable to obtain conventional credit at reasonable rates and terms. Loan guarantees must be considered prior to a direct loan. Borrower's outstanding direct loan balance cannot exceed \$10 million.	Local or State USDA Rural Development office or www.rurdev.usda.gov
Intermediary Relending Program (IRP), USDA	Loans made to intermediaries. Intermediaries re-lend funds to ultimate recipients for business facilities or community development. Loans from intermediaries to ultimate recipients must be for the establishment of new businesses, the expansion of existing businesses, creation of employment opportunities, saving of existing jobs, or community development projects.	Local or State USDA Rural Development office or www.rurdev.usda.gov
Rural Business Enterprise Grant (RBEG), USDA	Grants to public bodies, private nonprofit corporations, and Federally-recognized Indian Tribal groups to finance and	Local or State USDA Rural Development office or www.rurdev.usda.gov

	facilitate development of small and emerging private business enterprises located in rural areas. Funds are used for the financing or development of a small and emerging but funds do not go directly to the business.	
Rural Business Opportunity Grants (RBOG), USDA	Grants to pay costs of providing economic planning for rural communities, technical assistance for rural businesses, or training for rural entrepreneurs or economic development officials. Grants should be \$50,000 or less.	Local or State USDA Rural Development office or www.rurdev.usda.gov
Sustainable Agriculture Research & Education Grants	SARE is a competitive grants program providing grants to researchers, agricultural educators, farmers and ranchers, and students in the United States. Producers apply for grants that typically run between \$1,000 and \$15,000 to conduct research, marketing and demonstration projects and share the results with other farmers and ranchers.	www.sare.org
Renewable Energy/Energy Efficiency Improvement Program (REEP), USDA	Program for making grants, loan guarantees, and direct loans to agricultural producers or rural small businesses to purchase renewable energy systems and make energy efficiency improvements.	Local or State USDA Rural Development office or www.rurdev.usda.gov
Value-Added Producer Grants (VAPG), USDA	Competitive matching grant funds to help independent agricultural producers	Local or State USDA Rural Development office or

	enter into value-added activities. Producers may apply for grants for planning activities or for working capital expenses, but not for both. The maximum amount for a planning grant is \$100,000 and the maximum amount for a working capital grant is \$300,000.	www.rurdev.usda.gov
Rural Cooperative Development Grants (RCDG), USDA	Grants are made to non-profit organizations for establishing and operating centers for cooperative development for the primary purpose of improving the economic condition of rural areas through the development of new cooperatives and improving operations of existing cooperatives.	Local or State USDA Rural Development office or www.rurdev.usda.gov
Appropriate Technology Transfer for Rural Areas (ATTRA), USDA	Provides information to farmers and other rural users on a variety of sustainable agricultural practices that include both cropping and livestock operations.	www.attra.ncat.org
Small Business Innovation Research (SBIR), USDA CSREES	Competitively awarded grants that are to qualified small businesses to support high quality, advanced concepts research related to important scientific problems and opportunities in agriculture that could lead to significant public benefit if successful	www.csrees.usda.gov/funding/sbir/sbir.html
Community Food Projects Competitiveness Grants (CFPCG), USDA CSREES	These grants are intended to help eligible private nonprofit entities that need a one-time infusion of federal assistance to	www.csrees.usda.gov

	establish and carry out multipurpose community food projects. Projects are funded from \$10,000-\$300,000 and from 1 to 3 years. They are one-time grants that require a dollar-for-dollar match in resources.	
Farm Ownership Loans (FO), USDA FSA	Loans for the purchase of farmland, to construct or repair buildings and other fixtures, and promote soil and water conservation. Maximum loan amount is \$200,000	www.fsa.usda.gov/dafl/directloans.htm
Farm Operating Loans (OL), USDA FSA	Loans may be used to purchase items such as livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance, and other operating expenses. Operating Loans can also be used to pay for minor improvements to buildings, costs associated with land and water development, family subsistence, and to refinance debts under certain conditions. Maximum loan amount is \$200,000	www.fsa.usda.gov/dafl/directloans.htm
Emergency Loans, USDA FSA	Loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine	www.fsa.usda.gov/dafl/directloans.htm
Youth Loans, USDA FSA	Loans to individual rural youths to establish and operate income-producing projects of modest size in connection with their participation in 4-H clubs, Future Farmers of America, and similar	www.fsa.usda.gov/dafl/directloans.htm

	organizations	
Beginning Farmer/Rancher Loans, USDA FSA	Direct loan funds to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources.	www.fsa.usda.gov/dafl/directloans.htm
Loans to Socially Disadvantaged Farmers/Ranchers, USDA FSA	Direct loan funds to help socially disadvantaged applicants buy and operate family-size farms and ranches. A socially disadvantaged (SDA) applicant is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. These groups include women, African Americans, American Indians, Alaskan Natives, Hispanics, Asians, and Pacific Islanders.	www.fsa.usda.gov/dafl/directloans.htm
Downpayment Farm Ownership Loans for Beginning Farmers	Loan program to help beginning farmers and ranchers purchase a farm or ranch. This program also provides a way for retiring farmers to transfer their land to a future generation of farmers and ranchers.	www.fsa.usda.gov/dafl/directloans.htm
Guaranteed Farm Ownership and Operating Loans, USDA FSA	Provide lenders (e.g., banks, Farm Credit System institutions, credit unions) with a guarantee of up to 95 percent of the loss of principal and interest on a loan.	www.fsa.usda.gov/dafl/guaranteed.htm

	Farmers and ranchers apply to an agricultural lender, which then arranges for the guarantee. The FSA guarantee permits lenders to make agricultural credit available to farmers who do not meet the lender's normal underwriting criteria.	
Basic 7(a) Loan Guarantee Program, SBA	SBA guarantees loans to small business made through lenders. Program guarantees loans up to \$2 million. Loan proceeds can be used for most sound business purposes including working capital, machinery and equipment, furniture and fixtures, land and building (including purchase, renovation and new construction), leasehold improvements, and debt refinancing (under special conditions). Loan maturity is up to 10 years for working capital and generally up to 25 years for fixed assets.	www.sba.gov/financing
Microloan 7(m) Loan Program, SBA	Provides short-term loans of up to \$35,000 to small businesses for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. Proceeds cannot be used to pay existing debts or to purchase real estate.	www.sba.gov/financing
Certified Development Company (504) Loan Program, SBA	Provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings. Typically, a 504 project includes a loan	www.sba.gov/financing

	secured with a senior lien from a private-sector lender covering up to 50 percent of the project cost, a loan secured with a junior lien from the Certified Development Company (CDC) (backed by a 100 percent SBA-guaranteed debenture) covering up to 40 percent of the cost, and a contribution of at least 10 percent equity from the small business being helped.	
Small Business Investment Companies Program (SBIC), SBA	Small businesses which qualify for assistance from the SBIC program are able to receive equity capital, long-term loans, and expert management assistance. SBA requires a minimum private capital investment of \$5 million for a debenture SBIC; \$10 million if they intend to utilize participating securities. A minimum of 30 percent of this capital must come from sources unaffiliated with the fund management.	www.sba.gov/INV/
Rural Business Investment Program (RBIP), SBA	Similar to SBIC program but designed to promote economic growth and job opportunities in rural areas.	www.sba.gov/INV/RBIP/
Virginia Small Business Financing Authority Loan Guarantee Program, VADBA	Program guarantees a portion of a loan or line of credit extended by a commercial bank to a qualified Virginia business. Maximum guaranty is \$500,000.	www.dba.state.va.us/financing/programs/
Virginia Small Business	Program is designed to fill the financing	www.dba.state.va.us/financing/programs/

Financing Authority Economic Development Loan Fund (EDLF), VADBA	gap between private debt financing and private equity. Funds are available to economic development authorities and qualifying new and expanding businesses that are creating new jobs or saving “at risk” jobs in qualified underserved and distressed areas of Virginia	
Southside Region Tobacco Capital Access Program (TCAP), VTICRC & VABDA	TCAP provides access to capital for qualifying businesses by encouraging banks to make loans that they would otherwise not make due to a borrower’s riskier profile. Unlike government guaranty programs which provide a guaranty of a specific loan, TCAP utilizes an insurance concept on a portfolio of loans.	www.dba.state.va.us/financing/programs/
Small Business Environmental Compliance Assistance Fund, VADEQ & VADBA	Through this program low-interest rate loans are available to small businesses for the purchase and installation of replacement equipment needed to comply with the Clean Air Act; or to implement voluntary pollution prevention measures; or for the implementation of selected voluntary agricultural best management (BMPs) practices as listed in the Virginia Agricultural BMP Manual. The maximum loan amount is \$100,000.00 per borrower	www.dba.state.va.us/financing/programs/
Rural Economic	Grant funds to electric and telephone	Local or State USDA Rural Development

Development Grants (REDG), USDA	utilities to promote sustainable rural economic development and job creation projects through the operation of a revolving loan fund program	office or www.rurdev.usda.gov
Rural Economic Development Loans (REDL), USDA	Zero-interest loans to electric and telephone utilities to promote sustainable rural economic development and job creation projects	Local or State USDA Rural Development office or www.rurdev.usda.gov